

**Introduced by Senator Denham**

February 22, 2007

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An act to add Section 5094.5 to the Business and Professions Code, relating to accountancy.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 654, as introduced, Denham. Accountants: licensing examination.

Existing law establishes the California Board of Accountancy in the Department of Consumer Affairs for the purpose of licensing and regulating public accountants. Existing law sets forth education requirements for applicants to take the accounting licensing examination, and requires that the education meet certain criteria, including accreditation criteria.

This bill would provide that, for the sole purpose of qualifying applicants for admission to the accounting licensing examination for a certified public accountant, the date on which an educational institution applied for accreditation shall be accepted as the date on which the institution was accredited if the accreditation was obtained at any time during the 5-year period subsequent to the application.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. The Legislature hereby finds and declares all of
- 2     the following:
- 3     (a) The current United States Department of Education
- 4     guidelines and Internet Web site concerning educational institutions
- 5     offering accounting degrees that are accredited, that are candidates

1 for accreditation, or that are unaccredited are misleading, confusing,  
2 and give unclear direction to applicants and state agencies.

3 (b) The guidelines vaguely indicate that an educational  
4 institution is accredited for financial aid purposes, however, the  
5 institution may not yet be accredited for degree-granting purposes.

6 (c) Because of the confusing guidelines, certain applicants are  
7 encouraged to apply for loans to attend an educational institution  
8 for an accounting degree that will not qualify them to take a  
9 certification examination.

10 (d) It is unfair to penalize applicants confused by those  
11 guidelines by excluding them from taking the accounting  
12 certification examination.

13 SEC. 2. Section 5094.5 is added to the Business and Professions  
14 Code, to read:

15 5094.5. Notwithstanding any other provision of law, for the  
16 sole purpose of qualifying applicants for admission to the  
17 examination for a certified public accountant, the date on which  
18 an educational institution applied for accreditation shall be accepted  
19 as the date on which the institution was accredited if the  
20 accreditation was obtained at any time during the five-year period  
21 subsequent to the application.